



NATIONAL LEGAL OPTIONS

Library governance and funding options abound. The legal options a community chooses have a critical role in defining a library's ability to respond to changing demands, provide services to support its mission in the community, and construct and maintain adequate facilities.

Libraries generally are governed by library boards. The two key variables are the means of selecting the library board and the degree of autonomy granted to it.

Local governments sponsoring public libraries in Utah can levy a dedicated property tax or fund library services from their general funds. The state could consider a much broader range of financing options, including:

- ❖ optional local sales and use taxes
- ❖ impact fees
- ❖ general obligation bonds at the petition of the electorate
- ❖ Community Impact Fund lending (outside of the Wasatch Front)
- ❖ statutory mill levies
- ❖ state funding
- ❖ special library taxing districts

NATIONAL GOVERNANCE OPTIONS

Library boards in this country can be either elected or appointed. Nationwide, the overwhelming majority (94%) are appointed, as all are currently in Utah. Only a handful of states have established procedures for electing library board members. Generally, the perception is that an appointed board will be composed of qualified individuals who will be responsive to the government entity that appoints them. The potential disadvantage of an appointed board is that its members, because they are not directly accountable to the public, might not be responsive to public demand. Electing board members

addresses that issue, but raises other concerns. Given the low political status of board membership, voter interest and turnout may be low, and the resulting board may not be well-equipped with the technical expertise to understand library needs.

Typically concern over the appointment of board members is proportional to the extent of members' functions and the degree of fiscal responsibility they have. Presumably, the greater the latitude given to the board, the more significant the desire for direct political accountability becomes.

Nationally, library governance statutes generally take one of four approaches to defining the fiscal powers and duties of library boards:

1. Give the library board the power to levy and collect taxes, call bond elections, issue bonds, and administer all library funds at its discretion.
2. Grant the board complete discretion in administering library funds, but reserve all or part of the power to tax and issue bonds to the governmental entity that created the library (county or municipality).
3. Withhold taxing and bonding powers from the board, and give the local governmental entity the discretion to decide whether to withhold or delegate the administration of funds to the library board.
4. Give the library board no power or discretionary authority to tax, bond, or administer funds.

GOVERNANCE OPTIONS FOR UTAH LIBRARIES

Utah library boards are currently appointed, but the state has non-library statutory procedures in



place for electing members to special district boards. State law currently follows the third approach to establishing the powers and duties of library boards: the statutes reserve taxing and bonding powers for the sponsoring governmental entity and allow that entity to determine whether or not it will give the library board the authority to administer library funds at its own discretion. In practice, the majority of cities and counties in the state have not granted fiscal administrative discretion to library boards. One notable exception is Salt Lake City, where the library board has legal authority to administer library funds.

FUNDING OPTIONS FOR UTAH LIBRARIES

There are a variety of statutory options designed to increase library funding that would not necessitate, but could accompany, a change in the current library governance structure of Utah libraries.

One such option would be to allow cities and counties to call an election on the question of a local sales and use tax up to a certain percentage to fund public libraries. Revenues from this local sales tax could be added to revenues from the dedicated property tax levy up to 1% for library purposes under current Utah law.

Another statutory funding option would be to include library services within the purview of the Utah impact fees statute. Impact fees, however, would only help to increase funding for library jurisdictions that have significant new developments within their boundaries.

Yet another funding option would be to empower the electorate within a city or county to petition for a general obligation bond for public library purposes.

Prioritizing State of Utah Permanent Community Impact Fund Board (CIB) lending for non-Wasatch area libraries would offer another funding option.

The statutory minimum property tax levy for city and county library services could be increased from the current 1% to 1.5%.

The state could directly appropriate funds to aid public libraries.

Special library taxing districts could also be an option for cities and counties. A special taxing district would empower a library board, which presumably is more keenly attuned to the needs of public libraries, to efficiently govern and fund a community's libraries. Taxing and bond issuing authority could be provided to a library taxing district board, whose members would be elected and thus accountable to the public they represent. Having such districts would allow cities and counties the options of continuing to operate their own libraries or of working with others to create multi-county districts. Special library taxing districts could use existing city or county infrastructure and resources to aid in the operation of the districts, which would alleviate administrative problems that might be encountered in a completely separate or independent district. Furthermore, under existing Utah law, cities, counties, and districts may share revenues as compensation for non-resident use of libraries, thus eliminating the need to charge non-residents a user fee.

While our communities review their library governance, providing incentive funding for public library construction offers the most practical, and non-controversial, way to meet urgent needs immediately.